



# MINUTES

## 2013 ANNUAL GENERAL MEETING

Greater Victoria Harbour Authority  
Held at 7:00 p.m. on 15 August 2013  
The Hotel Grand Pacific  
463 Belleville Street, Victoria BC

### GVHA Member Agencies

Capital Regional District  
The Chamber  
City of Victoria  
Esquimalt Nation  
Provincial Capital Commission  
Songhees Nation  
Tourism Victoria  
Township of Esquimalt  
Victoria Esquimalt Harbour Society

### Members' Representatives

Denise Blackwell, Vice-Chair  
Gary Kinar, Director  
Councillor Shellie Gudgeon  
Chief Andy Thomas  
David Everett, Chair  
Chief Ron Sam  
Tamra McQuitty, Acting P/CEO  
Councillor Lynda Hundleby  
John Sanderson, President

**Meeting Chair:** Bill Wellburn, GVHA Board Chair

**1. Call to Order**

The Chair called the meeting to order at 7:00 p.m.

**2. Introduction of Member Representatives**

Capital Regional District, Denise Blackwell, Vice Chair  
City of Victoria, Councillor Shellie Gudgeon  
Esquimalt Nation, Chief Andy Thomas  
Provincial Capital Commission, David Everett, Chair  
Songhees Nation, Chief Ron Sam  
The Chamber, Gary Kinar, Director  
Tourism Victoria, Tamra, Acting President & CEO  
Township of Esquimalt, Councillor Lynda Hundleby  
Victoria/Esquimalt Harbour Society, John Sanderson, President

**3. Notice of Meeting & Confirmation of Quorum**

The Chair confirmed there was quorum present for the meeting.

**4. Approval of Agenda**

**AGM/M-2013-08-15 #001: MOVED and SECONDED THAT** the agenda is approved.

**CARRIED**

The Chair stated that this was an annual meeting of the Members and clarified the roles and responsibilities of GVHA Member Agencies vs. GVHA's Directors, in particular that GVHA's Board of Directors is accountable to the Member Agencies. An effort was made to have a voting representative from each Member Agency present that was not a sitting Director on GVHA's Board, but the request couldn't be accommodated in all instances due to scheduling conflicts.

**5. Approval of Standing Rules**

The Chair noted that the AGM was for the Members, but once the business was completed there would be an opportunity for public input.

**AGM/M-2013-08-15 #002: MOVED and SECONDED THAT** the Members approve the Rules of Order as presented.

**CARRIED**

**6. Appointment of Parliamentarian & Recording Secretary**

The Chair requested a Members resolution approving the Parliamentarian and Recording Secretary for the meeting.

**AGM/M-2013-08-15 #003: MOVED and SECONDED THAT** the Members approve Barbara Desjardins as Parliamentarian, and Julia Park as Recording Secretary.

**CARRIED**

**7. Introduction of Guests and Life Members**

The Chair welcomed GVHA Life Members John Sanderson, Randy Wright, Paul Ridout and Don Prittie, as well as Marg Gardiner, JBNA President, to the meeting.

**8. Approval of Draft Minutes**

**8.1 November 22, 2012**

**AGM/M-2013-08-15 - #004: MOVED and SECONDED THAT** the minutes from the Annual General Meeting of November 22, 2012 be approved.

**CARRIED**

**8.2 April 18, 2013**

**AGM/M-2013-08-15 - #005: MOVED and SECONDED THAT** the minutes from the Special General Meeting of April 18, 2013 be approved.

**CARRIED**

**9. Report from the Board of Directors**

The Chair introduced GVHA's Board of Directors and gave a brief overview of the skills and qualifications required on the Board such as experience in shipping, cruise, First Nations, legal, risk management, etc., He noted the role the Board plays in guiding GVHA's strategy and overseeing management, with the Board focusing on strategy and high level oversight while the Board's four Standing Committees focus on detailed oversight as follows:

- Audit & Finance – oversees the organization's finances
- First Nations Economic development – seeks to build relationships and improve capacity building with the Songhees and Esquimalt Nations within the harbour
- Governance & Nominating – oversees the performance of the Board, reviews Board policy framework and recruitment of new directors
- Human Resources – oversees the performance of the CEO

The Chair stated the purpose and objectives of GVHA as set out in the Constitution, including:

- Promote and develop the Victoria harbour on a self-sustaining basis
- Be reflective of community interests and harbour users
- Manage and administer the harbour assets under its responsibility
- Create a meaningful role for First Nations in economic development within the harbour
- Promote and comply with environmental sustainability of the harbour

The Chair described how the Board is advancing GVHA's stated purpose as follows:

### **Vision**

"We envision a harbour where people live, learn, work, and play; a spectacular gateway into Victoria's past and into its future, monumental in look and feel, linking communities and all people together"

### **Mandate**

"To be effective and respected advocates for best water, marine and marine-related use and development of the whole harbour while optimizing current and future harbour assets"

### **Strategic Priorities**

- Harbour-wide Master Plan
- Terminal Consolidation
- Seabed Divestiture
- First Nations Partnership
- Long-term Sustainability
- Stakeholder Engagement

### **Guiding Principles**

- Sustainability
- Accountability
- Working Harbour
- First Nations Relationship

The Chair stated GVHA is striving to better integrate harbour activity and planning.

The Chair expressed his appreciation to the P/CEO and his team for their leadership in diversifying GVHA's business, including securing the Steamship Terminal building. He noted GVHA has recently acquired a water lot and upland for the new Customs dock at the entrance to the harbour. GVHA's key harbour assets continue to be updated to ensure the harbour continues to function as a working harbour and economic driver for the region.

The Chair noted that earlier this year, one of our Members petitioned GVHA with a Special Resolution regarding the 2010 Bylaw revision that required Members to nominate candidates for directors rather than the original appointment process. Following the Special General Meeting last April, Sierra Systems was retained by GVHA to undertake an independent review and consultation with Member Agencies. Sierra has conducted interviews with representatives from each Member and currently other ports are providing advice and insights on their governance with an emphasis on the impact of nominating vs. appointment of directors in respect of their overlapping fiduciary duty to their Port Authority and to their Member Agency. Once the information gathering is complete and reviewed, the consultant's findings will go to the Governance & Nominating Committee and the Board. Resulting recommendations will be made to GVHA's Member Agencies in advance of the Special General Meeting to be held in January 2014.

## **9. Report from the CEO**

The P/CEO stated that it was a challenging, but rewarding year for GVHA and thanked the corporate team, John Briant, Western Stevedoring, and both the marina and maintenance staff for all their hard work in making the year successful. It was a big year for projects and, with the Board's support and constructive input, many key/strategic decisions were made to advance GVHA's mandate.

GVHA's core operations started in 2002 with four fee-simple properties divested from Transport Canada, including Ogden Point, Fisherman's Wharf, the Causeway and Wharf Street Pier. Leasehold interests now also include the Steamship building and Mermaid Wharf, under lease, with total GVHA assets valued at \$56 million.

Operating results show a steady growth in revenue indicating increased traffic/activity in the harbour. GVHA has invested nearly \$20m in harbour assets over the last 11 years, funded by grants and operating surpluses.

GVHA saw healthy growth in shipping and marine traffic which exceeded revenue expectations. John Briant and Western Stevedoring are bringing more marine industrial/

commercial work back into Ogden Point such as hull cleaning, cable servicing and yacht trans-shipment. It is gratifying to see more of that kind of activity in the port.

The marinas and attractions team are working to attract new business and add capacity. The negative variance shown in Property Services is due to the Steamship Terminal leasing delay. Bateman is secure, the upgrades/revitalization are complete and tenant ready.

The Steamship Terminal food and beverage tenant Extra Mile (Steamship Taphouse & Grill) will be opening this fall. Thanks were extended to the City for the efficient approval process for the deck on the building and with specific acknowledgement of Councillor Pamela Madoff for her focus/guidance on the heritage aspects of the project.

### **Expenses**

Operating expenses have grown proportionally with revenues, as we build capacity within the organization. Several large strategic projects were taken on this year, hence there was a need to supplement the existing management team with strategic hires and external resources. Going forward, HR costs will stabilize now that the effect of the Hay Group compensation study recommendations have been implemented.

Capital expenses included the breakwater handrails which were initially planned to address Labour Canada and insurance issues, but GVHA also provided accessibility for wheelchairs, strollers, etc. The public response has been very good.

Caisson repairs to improve and stabilize the piers were completed. The work is below water so improvements are not seen. Certificates of Compliance – preparation work was necessary to move forward with rezoning.

Fisherman's Wharf Plan will be going before City Council for first reading in the fall. A similar process will be required for the Ogden Point Master Plan. GVHA has learned a lot from the Fisherman's Wharf process which will help in re-energizing/expediting completion of the Ogden Point rezoning project.

Phase 3 of the Unity Wall is progressing well, with the painting phase of the project nearing completion and the installation phase ramping up for completion this fall. The not-for-profit First Nations Special Purpose Company initiative is also progressing well, with the Esquimalt Nation, Songhees Nation and GVHA having agreed on the general structure, purposes and other key details.. The First Nations employment program at GVHA also continues to grow and evolve.

## **10. Receipt of Financial Statements & Auditor's Report**

**AGM/M-2013-08-15 - #006: MOVED and SECONDED THAT** the Members receive the March 31, 2013 Audited Financial Statements as approved by the Board of Directors and the accompanying Auditor's Report.

**CARRIED**

## **11. Appointment of Auditors for the Year Ending March 31, 2014**

**AGM/M-2013-08-15 - #007: MOVED and SECONDED THAT** the Members approve the Board of Director's recommendation for KPMG's reappointment as GVHA's external auditor for the year ending March 31, 2014 and that their remuneration be approved by the Board.

**CARRIED**

## **12. Members' Questions and Comments**

**Lynda Hundleby, Township of Esquimalt**

The Management Discussion & Analysis (MD&A) was very informative; risk management was good in how it led into GVHA's governance.

Q. In the financial statements on page 6, it notes a transition to new accounting standards. What is the difference?

A. The COO explained that the International Not-for-Profit standards made a change allowing investments to be recorded at market rate or cost value, everything else stayed the same.

Q. On page 14 "director fees" – are they itemized?

A. The Board Chair stated that director fees speak to Board and Committee attendance for the year. A compensation review was conducted in 2010 in order to compare GVHA to like organizations' director compensation. The Board provided Member Agencies with a Remuneration Philosophy for approval and new rates for director pay were set which overall were less than what was recommended in the compensation review. The directors are paid a retainer per year and \$400 per Board/Committee meetings. The total fees paid this fiscal year were \$164,000, down from last year. There is a cap on director fees which does not allow total fees to exceed 5% of the previous year's gross revenues; this year's percentage was 2.2%.

**AGM/A-2013-08-15 - #001:** Ms. Hundleby requested itemized director fees be provided.

Q. MD&A page 9 shows an itemized list of fees including "staff compensation strategy". There are a number of agencies managing compensation in the market place, what does this look like at GVHA?

The Chair reported the HR Committee engaged a compensation consultant to review GVHA's current compensation framework. The findings determined that GVHA was paying employees at or slightly below comparable positions in other organizations. The Board authorized management to make required market adjustments to pay ranges for several GVHA positions. A process is now in place to maintain market-level pay rates.

**John Sanderson, President, Victoria Esquimalt Harbour Society**

Mr. Sanderson would like to have a better understanding of the current governance review that is going on. He asked that once results are available to provide Members enough time to consider the findings and any recommendations before the SGM in January, 2014.

Mr. Sanderson also stated that when Board compensation reviews take place Member Agencies should be involved in the process.

The Chair stated that there are no changes in Board compensation contemplated for the foreseeable future.

**Gary Kinar, Director, Greater Victoria Chamber of Commerce**

Mr. Kinar asked that the financial statements and AGM information be made available earlier to the Members.

The Chair stated that the AGM was moved up to August from November to make the meeting more timely to the period being reported upon. With a fiscal year end of March 31<sup>st</sup>, it is difficult to get the financials audited and out much earlier than was done this year. The Chair noted the representative's very valid concern and that he would take it under advisement.

## Public Input

### Chris Doyle, James Bay Neighbourhood Association (JBNA)

Q. On page 3 of the previous AGM meeting minutes, it notes a new snow blower, why purchase it when we receive little snow. GVHA could hire equipment for the same price.

A. The Chair stated that for safety reasons, GVHA must be prepared to remove snow should the need arise.

Q. Is GVHA being paid for coaches parking at Ogden Point and does it conform to the zoning?

A. The P/CEO stated that GVHA is being compensated for bus parking, and that there are many business activities allowed at Ogden Point under the current zoning.

### Bernie Talbot

Q. The new dock at Ogden Point, why was it installed and then removed?

A. The P/CEO reported that there were design and installation issues with the multi-purpose float which are being rectified by the contractor. The new float will be installed and ready for use next season.

### Don Prittie, Life Member

Mr. Prittie stated that he had doubts about the installation of the breakwater handrails, but having been out there himself now sees them as a great addition to the harbour. He also noted how pleased he was that the mural was being extended.

The P/CEO stated that the Unity Wall team has done an amazing job thanks to Rebecca Penz and her team, nine First Nations painters doing phenomenal work. He also thanked Mike Graham for finding innovative and cost effective means to complete the handrails project.

### Randy Wright, Life Member

Q. Is there \$2.4 million more to be spent on the Steamship Terminal, and how much square footage is left to rent?

A. The P/CEO clarified that the total approved budget is \$2.2 million. The top three levels are rented but the lowest level space is still available. Once the restaurant goes in, the space will become more attractive. The deck, once installed will create 2000 square feet of addition sheltered commercial operating space.

## 13. Adjourn

**AGM/M-2013-08-15 - #008 - MOVED and SECONDED** that the meeting is adjourned.

**CARRIED**

The meeting was adjourned at 8:01 p.m.



Bill Wellburn, Chair



Barbara Desjardins, Secretary